

ENCUMBRANCE TRANSACTIONS

The following table displays the most common Transaction Codes used for entering encumbrance transactions:

TC	PURPOSE
211	Set up an original encumbrance
212	Increase an encumbrance
213	Decrease an encumbrance
210	Liquidate an encumbrance
232	Record an automated claim schedule payment and liquidation

TC 211 – This TC is used to establish an encumbrance, e.g., contract or purchase order. The Document Number must be a unique number. As previously stated, additional suffixes may be used if needed.

NOTE: The Purchase Order number or Contract number is typically keyed in the Current Document Number field. This number becomes the Document Number in the CALSTARS Document File for tracking purposes. When posting subsequent transactions, such as payments, adjustments, or liquidations, the Document Number is keyed in the Reference Document field.

TC 212 – This TC is used to increase an encumbrance. It is typically used when an amendment is received to increase a contract.

TC 213 – This TC is used to decrease an encumbrance. It is typically used when an amendment is received to decrease a contract.

TC 210 – This TC is used to liquidate an encumbrance. It is used if a contract or purchase order is cancelled. The TC may also be used when a final payment has been made for a purchase order and an encumbered balance remains on the Document File.

TC 232 – This TC is used to process an automated claim schedule payment for expenditures previously encumbered. Agencies may process partial or final payments against an encumbrance.

NOTE: The Document File Data Retrieval feature (**F4**) may be used for transactions that adjust or liquidate Document File records (TC 212, 213, 210, 232). This feature was created to save key entry time and improve accuracy. For detailed information about using this feature, refer to Volume I, Chapter IX, beginning on page 24.

When making a partial payment, agencies have the option of keying a **P** or leaving a **Blank** in the Modifier field. When a **Blank** or **P** modifier is used, CALSTARS liquidates the document only for the amount of the payment.

When making a final payment, agencies have the option of keying an **F** in the Modifier field. When the **F** modifier is used, CALSTARS closes the document. The difference between the remaining encumbrance and the final payment is automatically adjusted to bring the encumbered balance to zero.

The table below shows how the optional modifiers affect the encumbered balance of a document:

	P modifier or Blank is used. Payment amount is 5,000, liquidation is 5,000.	F modifier is used. Payment amount is 8,000, liquidation is 10,000.
Document Amount	10,000	10,000
Adjustment Amount	0	0
Liquidation Amount	5,000	10,000
Payment Amount	5,000	8,000
Balance	5,000	0

***F** modifier should only be used when agency is certain that the payment is final.

Document balances may be viewed on the Document File Shadow Inquiry screen using Command H.4. The original encumbrance amount and cumulative totals for subsequent adjustments, liquidations, and payments are also displayed.

The following table shows how some Transaction Codes post to the Document File Financial fields and the effect on the Document Balance:

	TC 211 Set Up for 10,000.	TC 213 Decrease for 1,500.	TC 232 Payment for 2,000	TC 210 Liquidation for 6,500.
Document Amount	10,000	10,000	10,000	10,000
Adjustment Amount	0	-1,500	-1,500	-1,500
Liquidation Amount	0	0	-2,000	-8,500
Payment Amount	0	0	-2,000	-2,000
Balance	10,000	8,500	6,500	0

NOTE: If an expenditure for a previously encumbered document is posted, e.g., TC 232, and the payment amount exceeds the document balance, CALSTARS reduces the document balance to zero and posts the amount of the expenditure entered.